

House Study Bill 230 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act repealing the excise tax on the handling of grain.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 445.3, subsection 2, Code 2023, is
2 amended to read as follows:

3 2. a. The commencement of actions for ad valorem taxes
4 authorized under this section shall not begin until the
5 issuance of a tax sale certificate under the requirements of
6 section 446.19. The commencement of actions for all other
7 taxes authorized under this section shall not begin until ten
8 days after the publication of tax sale under the requirements
9 of section 446.9, subsection 2.

10 b. This subsection does not apply to the collection of ad
11 valorem taxes under section 445.32, ~~and grain handling taxes~~
12 ~~under section 428.35.~~

13 Sec. 2. REPEAL. Section 428.35, Code 2023, is repealed.

14 Sec. 3. IMPLEMENTATION. Section 25B.7 shall not apply to
15 the property tax exemption enacted in this Act.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill repeals the grain handling excise tax of
20 one-fourth mill per bushel upon all grain handled. For
21 purposes of the tax, "handling or handled" means the receiving
22 of grain at or in each elevator, warehouse, mill, processing
23 plant, or other facility in this state in which it is received
24 for storage, accumulation, sale, processing, or any other
25 purpose. In addition, "grain" means wheat, corn, barley,
26 oats, rye, flaxseed, field peas, soybeans, grain sorghums,
27 spelts, and such other products as are usually stored in grain
28 elevators other than seeds after being processed. The excise
29 tax is entered on the tax list of the taxing district and
30 revenue collected from the excise tax is distributed to the
31 various taxing authorities (taxing units) within the taxing
32 district in the same manner as general property taxes.

33 The bill makes inapplicable Code section 25B.7. Code
34 section 25B.7 provides that for a property tax credit or
35 exemption enacted on or after January 1, 1997, if a state

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1 appropriation made to fund the credit or exemption is not
2 sufficient to fully fund the credit or exemption, the political
3 subdivision shall be required to extend to the taxpayer only
4 that portion of the credit or exemption estimated by the
5 department of revenue to be funded by the state appropriation.